An increase of tension took place recently.' It had been caused by United States' atomic tests, American interference in Southeast Asia, and certain American steps in NATO leading FACTUALLY virtually to atomic rearmament of Bunzswer. All these events are taking place over a background of continued unsettlement of the West Berlin situation. West Berlin has been under occupation for many years and is the source of tension in Europe and the situation there threatens peace. It makes our relations more difficult and this situation over there is full of dangerous collision between states.

Our plans and intentions on German peace settlement are quite clear. Mr. Khrushchev frankly spoke about them to Ambassador Thompson and to Pierre Salinger.

The Soviet Union sincerely wants to reach an agreement with the United States which would not hurt vital interests ## or prestige for both sides.

If we do not succeed in reaching this agreement the Soviet Union vill face the necessity of signing a peace treaty with GDR and the question of liquidation of war remnants will be sold and on this basis the situation in West Berlin -- a free demilitarized city-would be normalized.

We want to reach a mutually agreed solution of a German peace settlement. But if the United States continues to put From PERSONAL PAPERS OF ROBERT F. KENNED'L ATTOUNEN GENERAL'S PRESONAL CORRESPON DENCE: 1962, Bulant - Byrd Pix 4.

forward as a condition its demand to keep an occupational regime in West Berlin and keep occupation troops there, the conclusion of peace treaty with GDR with all consequences might be the only way out at the present situation. Then the United States and other Western powers should discuss with GDR all the questions in which they are interested.

One tried to picture or interpret our suggestion on the end of the occupation of West Berlin and withdrawal occupation troops from there that the Soviet Union's intention is to get the settlement for the sake of Western powers' interest. That is a completely wrong understanding of the Soviet position.

It is known that the Soviet government has suggested several vertices of compromises of solutions of occupation troops problem, each of which gives an opportunity to find a way out without damaging the prestige and interests both of the United States and the Soviet Union. We decisively cannot agree with the continuation of the present state of affairs in West Berlin -- continuation of the occupation of West Berlin and the continued stay of occupation troops there.

In Moscow the leaders draw special attention to Mr. R. Kennedy's statement that the President and his government are realists and trying to reach an agreement and would like not to have a military conflict with the USSR. This is a wise and

reasonable position and the Soviet government shares completely
this approach because it completely corresponds to the approach
of the Soviet government.